These guidelines envisage that for the present, banks will not be permitted to take long or short credit derivative positions with a trading intent. Banks may hold the derivatives in their banking books and not in the trading books except in case of Credit Linked Notes, which can be held as investments in the trading book, if the banks so desire.

Execution of bonds in lieu of end use exmptions of customs duty

2887. SHRI MURLI DEORA: Will the Minister of FINANCE be pleased to state:

(a) the number of bonds executed in lieu of end use exemptions of customs duty during 1998-99 to 2002-2003 and the number of bonds that are pending cancellation for more than three years, two years and one year;

(b) the reasons for delay in their cancellation and the amount of duty remains unrealized at the end of each financial year during the above period; and

(c) the steps contemplated to accelerate the procedure and quick cancellation of bond so that the duty could be realised?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) Number of bonds executed in lieu of end-use exemptions of Customs Duty during 1998-99 to 2002-2003 is as follows:

Year	No. of bonds executed
1998-99	6436
1999-2000	8732
2000-01	21378
2001-02	23382
2002-03	18028
Total	78456

Break up of No. of bonas pending cancellation is as follows (as on 30-06-2003);

More than 3 yrs	1600
More than 2 yrs	2864
More than 1 year	3194
Total	7668

(b) Major reasons for delay in their cancellation are as under:—

(i) Non-submission of end use certificate by importer in evidence of consumption of entire quantity of raw material.

(ii) Delay in getting verfication report regarding authenticity of end use certificate from jurisidictional Central Excise Authority.

(iii) Non-consumption of raw material in full by the importer for lack of demand in the market for which extension is requested by importer.

The amount of duty involved is as under:

Year	Duty involved (In Cr.)
1998-99	11.39
1999-2000	9.87
2000-01	326.92
2001-02	108.52
2002-03	217.04
Total	673.74

(c) Pendency of bonds does not necessarily mean that some duty is actually due from the importer. In most cases the pendency is due to delay and not due to mis-utilisation of goods or non-fulfilment of conditions of the end use exemption notification. However, the following steps are taken to expedite the cancellation of bonds and realization of duties, if any,

(i) Reminders are issued to importers to furnish end-use certificate within the stipulated time.

(ii) Where importers have failed to provide end-use certificate, adjudication proceedings have been initiated.

(iii) Special drives are launched for clearance of pending end-use bonds and to recover differential duty, wherever due.

(iv) Monitoring cells have been created to expedite cancellation of bonds.

(v) Records have been computerized.

(vi) Pendency of end-use bonds is monitored by Chief Commissioners and by the Central Board of Excise and Customs.

Central Co-operative Banks in Orissa

2888. MS. PRAMILA BOHIDAR:
SHRI B.J. PANDA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is an urgent demand to open additional Urban Banks and Central Co-operative Banks (CCBs) in Orissa;

(b) whether there are only 17 Urban and 17 Central Co-operative Banks in the State at present;

(c) whether the State has made a request in this regard to the Central Government; and

(d) if so, the action taken by Government to meet the demand?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) Reserve Bank of India (RBI) and National Bank for Agriculture and Rural Development (NABARD) have reported that there are no proposals for opening of new Central Co-operative Banks and Urban Banks in the State of Orissa.

(b) As reported by RBI, at present there are 12 Urban Co-operative Banks and 17 District Central Co-operative Banks in Orissa.